



## LATE TESTIMONY

February 28<sup>th</sup>, 2012

HOUSE  
COMMITTEE ON ENERGY AND ENVIRONMENTAL  
PROTECTION  
HB 2417

TESTIMONY IN OPPOSITION

Aloha Chair Coffman, Vice Chair Kawakami, and Members of the Committee:

Sunetric is a Hawaii based company that designs and installs Photovoltaic Solar Systems for residential and commercial clients. Our company has 140 employees located on Oahu, Maui and Big Island, although we do solar work on all of Hawaii's islands. We are grateful to the Legislature for the support we have received in the past and we look forward to a continued productive relationship in which our industry works to achieve the State's energy and economic security goals, while also providing meaningful work for ourselves and our employees.

That being said, Sunetric opposes HB2417. While we are aware that this bill seeks to address concerns among public officials and some members of the public regarding the use of the Renewable Energy Technologies Income Tax Credit, the solar industry has grown up around the current system, as implemented in various forms of guidance provided by the Department of Taxation. For the residential customer, the change envisioned by HB2417 is too abrupt and will disrupt the market to a significant degree. In the commercial market, the change will undermine utility scale projects that have been in development for as much as five years and rarely less than three years, and that have financing assumptions based on project specific letter rulings. In its current state HB2417 will catastrophically impact the renewable energy business in Hawaii and will ultimately undermine all efforts and progress the state has made to date. Banks and lending institutions that primarily fund and underwrite these types of projects will ultimately withdraw and go find safer more predictable markets. Lending and capital are what make the world go around. If we lose the ability to fund solar deals, the state will never achieve its renewable energy goal and will ultimately continue being a slave to the oil market.



As a result of these potential challenges posed by the measure to our residential and commercial customers, and to our own businesses, we respectfully ask that the Legislature consider other ways to implement the changes it sees as necessary. Sunetric is available and will be supportive of any and all efforts designed to work to a mutually agreeable solution.

Thank you for the opportunity to testify on this measure.

Sincerely,

**Darin S. Nakamura**  
Sunetric